The A. F. of L. Weekly News Service gives news accurate and editorial interpretations of developments affecting labor occurring in the industrial, legislative, and political fields, and contains other information for the benefit of the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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Fight Polio
Give to the
March of Dimes

WHOLE NO. 1971 WILLIAM GREEN, President WASHINGTON, D. C., TUESDAY, JANUARY 18, 1949 GEORGE MEANY, Secretary-Treasurer VOL. 39, NO. 3

6,400 Transit Workers Win 15-Cent Pay Boost

Newark, N. J.—A $2,000,000 decision by a state arbitration board gave 6,400 AFL transit workers here a 15-cent hourly increase, setting the highest wage rates for the industry in a three-state area.

The increase was set at the $2,000,000 figure by Carl Zimring, AFL director of the Labor Bureau of the Middle West, which represented the Joint Conference Board of the AFL's Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, in the arbitration proceedings with the Public Service Coordinated Transport, largest bus-line operator in the world.

More than $1,000,000 was paid the employes immediately Zimring disclosed, as a result of the decision which directed that payment of 13 cents of the increase be made retroactive to July 1, 1946.

"The award not only took into account the dominant leadership exercised in the mass transportation industry by the Public Service Coordinated," Zimring said, "but is also recognition of the effective leadership of the Amalgamated.

"The 15½-cent increase establishes an operator's rate of 1.45½ an hour, which is 14 cents an hour above the rate in New York and 10½ above the rate in Philadelphia where the employes are represented by the perhaps more vociferous but obviously less responsible non-affiliated organization."

The award culminated efforts between the parties to arrive at a new contract, initiated in April two months before the existing agreement expired. It also granted demands of the union for additional paid holidays, making a total of 6 enjoyed by the unionists. The minimum service requirement for eligibility for vacations was reduced from 15½ years to 10 years.

The joint conference includes 10 amalgamated divisions and has represented them in collective bargaining for more than 30 years.

The Public Service Companies operate 2,100 buses and 40 streetcars over 220 routes in 376 municipalities in 20 of the state's 21 counties and running into Pennsylvania and New York.

Homebuilding in 1948 Near Record Peak But Fell Far Short of Filling Demand

Washington.—The construction industry in 1948 came within 1 percent of the record set in 1925 for the construction of new nonfarm dwelling units, according to reports released by the Bureau of Labor Statistics.

Builders started 56,000 homes in December to bring the total for the year to an estimated 926,800, as compared with the record of 937,000 units started in 1925. The bureau said that final totals for 1948 may exceed 950,000.

The total for the year is disappointing when matched against the unfilled demand for homes in the low-priced brackets. To ease the nation's housing crisis it has been estimated that at least 1,500,000 houses are needed yearly for the next decade.

The year began with a spurt of activity which, if continued, might have come close to this estimated need. During the first quarter of 1948 the annual average soared to 1,100,000 units. Then, as the cumulative effect of high prices began to be felt over-all activity in building groups, the number of housing starts dropped off and approached the more normal prewar seasonal pattern.

December housing starts were 9,000 under the November total and 2,900 under that in December, 1947. For the entire year, BLS estimates placed 1948 activity at 9 percent, or 77,800 units, above the number of dwellings started in 1947.

Construction of rental-type, 2-or-more family structures, played an important part in the year's total housing gains. In the first quarter of the year, 1 out of every 5 units started was of the rental type. Although the proportion gradually decreased in subsequent months, rental housing in 1948 comprised 17 percent of the total number of units put under construction, as compared with 13 percent for 1947. In the housing boom of 1946 and late 1945, 1 unit out of 8, or 12 percent of all new dwelling units started were of the rental type.

The rise in the average construction cost per unit over 5 units started was 6 percent, while the average cost of single-type dwelling units rose 4 percent during 1947. The average cost of the latter type of dwelling unit in 1948 was 11 percent above 1947, and the increase in rental units amounted to about 8 percent. This increase in 1948 was largely due to the rise in costs of materials, labor, and other expenditures, as well as changes in the type of houses being built.

Los Angeles and New York led all other cities in 1948 as well as 1947 in the number of total building permits issued during the year for new nonfarm homes. The states, California and Texas, each had four cities among the 20 cities leading in this report.

Congress Urged to Alter Wage-Hour Law To Lift Minimum Wage, Extend Coverage

Washington.—Hopeful that the 81st Congress "will consider amendment to the Fair Labor Standards Act one of its primary duties," a list of recommendations for "specific improvements" in the 10-year-old federal wage and hour law was presented to the 1948 fiscal year annual report submitted to Congress by Wm. R. McComb, administrator of the Wage and Hour and Public Contracts Divisions, U. S. Department of Labor.

The administrator again urged that the law's statutory minimum wage of 40 cents an hour be increased to 75 cents an hour as "a contribution to improved living conditions for workers of low income." He also called upon Congress to define the term "prevailing rate" of pay used in computing overtime compensation for work after 40 hours a week, offering definitions which he believes will simplify the problem of long standing as well as those used by the Supreme Court's decision of last June in the back-wage suits of East Coast longshoremen.

McComb pointed out that a minimum wage of 75 cents is necessary to provide the 22,500,000 workers covered by the Wage and Hour law with an adequate basic standard in accord with the objectives of the Congress which passed the law in 1938. He estimated that direct cost of providing a 75-cent minimum for the approximately 2,500,000 covered workers who do not now receive that amount would be less than 3 percent of the national wage bill.

The administrator's other recommendations, some of which have been submitted to the Congress previously, urge that the Wage and Hour law be amended to:

1. Provide more flexibility in the penalties for relaxation of the overtime requirements in labor-management agreements for employes working on an annual basis, to encourage development of such plans within the scope of the act.

2. Align the child-labor provisions of the act with the wage and hour provisions by making them applicable to activities in interstate commerce and by directly prohibiting the employment of oppressive child labor in the production of goods for commerce; also, increase applicability of the child-labor provisions to employment in agriculture.

3. Extend the coverage provisions of the act to employes of all establishments of "large, integrated mills" which substantially effect commerce, thus to eliminate numerous small industries under which some industries subsist in the act now must operate.

4. Clarify the act's "retail or service establishment" exemption to avoid possible narrowing of its application as the result of the industry-by-industry or case-by-case method of interpretation.

5. Rationalize and equalize the exemptions now granted limited application to employes in four types of establishments—construction services by applying the minimum wage provisions to the construction services and by limiting the exemption to the "area construction" provision to only those employes who actually operate within the wage provisions of interstate commerce.

6. Simplify the complex, inequitable, and unjustifiable series of exemptions now granted fishing, processing or handling farm products, agricultural and processing laws and activities in the act's present overtime exemptions which are applicable to seasonal industries; also, place employes in the canning, curing, or packing of agricultural products on farms, retaining the present exemption for hired laborers on family type farms, but limiting the exemption for other employes on commercial farms to an exemption from the overtime provisions.

8. Grant the administrator adequate authority to cooperate with and assist in other federal laws, which would eliminate many administrative difficulties under the act now affecting the employers of both employes and employes.

9. Grant the administrator the right to use employers for back wages due the same this year as there will be more pork and less beef, veal,

AFL's Retail Clerks Union to Launch New $1,000,000 Organizing Campaign

Chicago.—The AFL's Retail Clerks International Association announced it would launch a $1,000,000 organizing drive to enroll workers employed in the nation's retail trade establishments.

The announcement of the campaign was released here where 500 delegates from all parts of the nation attended a 3-day conference on the union's organizing activities.

James A. Suffridge, secretary-treasurer of the AFL affiliate, told the conference representatives that the $1,000,000 fund would "only supplement the union's organization forces by sources already marshaled for the campaign."

While details of the program were not disclosed, it was indicated that most of the organizing activity would be in the field of the chain stores the union has established itself firmly in during recent years, capturing several hundred workers at Oppenheim Collins & Co. stores in New York where there now are 20,000 department store workers. The Retail Clerks union also have filed jurisdictional claims.

Simon Myerson, international vice president in charge of the New York area campaign, said the drive intended to "remain the dominant labor organization representing the nation's salespeople." Emphasis would be placed, the statement continued, on "organizing unorganized clerks in department, specialty and variety stores."

Washington, meanwhile, the union placed a motion before the National Labor Relations Board, seeking to intervene in the contest to represent 1,000 workers at Macy's. The board will decide whether the union can be included on a representation election ballot.

Consumers' Meat Spending Drops Below Mid-48 Level

Washington.—The nation's consumers may be slipping back into prewar meat consumption patterns, the Department of Agriculture reported here.

The department said consumers were spending only about 4 percent of their income for meat by the end of 1948, a percent less than they were spending six months earlier.

Meat bills averaged 29 percent of income in 1947 compared with 4 percent 5.3 percent in the late thirties.

The decline in the last half of 1948 was accompanied by more than the normal seasonal drop in prices for most meat animals. Officials said this easing in meat prices from the national income still was rising might reflect heavier spending for non-food items, particularly furniture, household appliances and the like.

The department emphasized that this change does not necessarily indicate a general trend.

Looking ahead, the department said meat production was likely to decline moderately in the early months of 1949 and remain below that of 1948 on a decline in supplies is likely to be matched by some increase in prices, but larger supplies in the fall can be expected to bring lower prices.

The department said production of all meats combined may be about the same this year as last. There will be more pork and less beef, veal, lamb and mutton, it said.

Over $1,000,000 in Refunds Paid Veterans For Shoddy Construction of GI Homes

Washington.—Refunds and adjustments totaling more than a million dollars have been obtained for veterans who purchased homes under the GI with priority authorization under the Veterans' Emergency Housing Program, Housing Expediter Tighe E. Woods reported.

As of January 5, settlements had been effected with builders, involving a total refund amount of $977,812. As of the same date, joint settlements reported by the OHE Litigation Division and the Justice Department amounted to $127,256. The total for the two is $1,105,068.

Approximately 70 percent of this total was obtained during the last 90 days, after the enlarged staff of investigators had been recruited and put to work.

Also as of January 5, cases in litigation involved 2,202 homes representing $1,156,700. Investigations had been completed but no action taken in cases involving 13,801 homes at that time.

All of the categories totaled 26,188 units involving a total of $7,624,256 in overcharges, substitutions and refunds.

On hand for investigation as of that date were veterans' complaints involving 37,357 homes. The dollar amount involved in these cases had yet been determined.

The veterans' complaints in all of these cases are based on provisions of the Veterans' Emergency Housing Act of 1946 under which a builder who sold a home with priority or other assistance to build homes for veterans was obliged to build and sell according to minimum specifications he had submitted to the agency and at sales price which he himself placed on the house. The complaints allege overcharge or failure to comply with specifications.

RESTAURANT WORKERS GAIN EXTRA HOLIDAYS

New York.—Two extra paid holidays will be enjoyed by some 100,000 kitchen employees of 50 Manhattan restaurants and night clubs under the terms of an arbitration award which established minimum wages paid by the employers.

Benjamin Brickman handed down the decision in a dispute between Local 89, Chefs, Cooks, Pastry Cooks and Assistants Union of New York, AFL, and the Allied Restaurant and Entertainment Industries of New York, Inc., to which the eating and entertainment places are affiliated. Previously, 5 holidays were granted. Mr. Brickman had obtained agreement on minimum wage boosts of $3 a week for skilled employes and $2 a week for unskilled workers.

BRITON SEES RED LABOR PLOT

London.—A British union leader warned of a Communist plan to disrupt British industry this year with the aim of upsetting European recovery. Arthur Deakin, general secretary of the Transport and General Workers Union, said the Communists would seek to create industrial chaos in Britain as they had done in France last year.

AFL Urges Vast Improvement In U.S. Social Security System

Backs Higher Benefits, Extended Coverage, New Health Plan

Washington. — President William Green of the American Federation of Labor sent to President Truman, to Secretary of Labor Tobin, to Federal Security Administrator Ewing, and to the appropriate congressional committees a four-point program calling for extensive revision of the social security system.

The program, drafted by the Social Security Committee of the AFL, of which Matthew Woll is chairman, calls for adoption of legislation to meet the following four major objectives:

I. Extension and liberalization of the existing federal old-age and survivors insurance program by extending coverage to some 25,000,000 more persons and thus doubling the average benefits.

2. Extension of the insurance system to provide benefits when an insured individual is out of work due to sickness or disability.

3. Extension, simplification and liberalization of the existing unemployment insurance and employment service programs. (The committee points out that this can be accomplished only through the development of a unified system replacing the present widely differing state systems.)

4. The development of a comprehensive health program including health insurance benefits. This, with some with free choice of doctor, decentralized administration through existing state and local agencies and full use of existing facilities and personnel providing medical services.

In the matter of AFL recommendations, revision of the old age retirement and survivors insurance program is first on the list. Under the changes sought, the benefits would be broadened to include the self-employed (farmers, small businessmen and professional persons) agricultural workers, domestic servants, and persons employed by non-profit institutions such as hospitals, charitable and foundations. Employes of state and local governments not already covered by a pension plan would be brought in by permissive agreements between the state and the Federal Government.

The program calls for sharp increases in the benefit formula which presently averages only about $25 per month for single retired workers. The following examples indicate the extent of the AFL proposed increases sought for. A single person retiring in 1949 at the age of 65 with average monthly wages under the present law would be eligible for $26 per month under the present law. Under the proposed increases, if he was married and his wife was also 65 she would have the same amount. Under the proposed increases a single person would be eligible for $63.20 per month benefits and if the husband and his wife were over 60 years of age he would be eligible for $94.80 per month. Under the present law a single person with average wages of $50 per month wages is eligible for benefits of $20 per month. Examples of the changes proposed by the AFL for the same person would be $144.30 per month.

These illustrations are contained in the recommendations for changes in the present law, the AFL says. For example, under the present law a married man with children, a man who has averaged $200 per month can draw $80 per month. Under the changes proposed they would draw $126 per month. If the earnings had averaged $300 per month the present law's benefits would be $78.40 but under the proposed law he would be eligible for benefits of $150.

The proposals provide also for a national system of disability insurance which would provide unemployment compensation benefits up to 26 weeks during the year of sickness temporarily employed because of illness. For those permanently disabled, the same or the same benefits as provided under the old-age insurance.

The AFL plan calls for a comprehensive program of preventive public health insurance to meet the cost of hospital care, provision of medical research, training of personnel and construction of hospital facilities. It calls for a series of guarantees including free choice of doctor and dentist by the patients and the privilege of the doctor to accept or reject patients. It also provides for the establishment of a contributory health service plans such as those which have been developed by consumer cooperatives and labor unions.

There is an additional section containing the recommendations on financing. The AFL adheres to the principle of the contributory system. It urges that the present contribution on wages up to $4,800 per year by employers and employes remain. It states that it is sound public policy that there be contribution by the government. The report calls for a contribution of one-third of the benefits per year.

This was a decrease of 29,383 from the 106,234 who had maintained current membership as of November 30, 1948. The 76,851 affidavits currently on file represent an increase of 151 percent over the 30,651 who had filed up to January 1, 1948.

Filing of these affidavits brought 176 national unions and 7,680 locals into full compliance with the affidavit and financial report requirements of the Labor-Management Relations Act as of December 31.

NLRB'S Authority in Interstate Cases Over State Boards Upheld by High Court

Washington.—The Supreme Court ruled that a state board cannot assume jurisdiction in interstate labor relations problems where the National Labor Relations Board has authority but has refrained from exercising its power.

In a unanimous opinion, written by Justice Douglas, the court overturned a ruling by the Wisconsin Employment Relations Board, which had certified an independent union as collective bargaining agent at the A. O. Cream (Wis.) Telephone Co.

The high court decision follows its line of recent rulings in earlier cases and the Supreme Court said this situation is not changed by the Taft-Hartley Act.

Absence of a formal NLRB order in instances where the NLRB has not waived jurisdiction, and the presence of a state board certification under a different theory of representation, can be as "readily disruptive" as if the orders of the two boards made a head-on collision," said Justice Douglas.

In the case at issue, according to the Justice Department, the AFL's International Brotherhood of Electrical Workers Local 1965, which recognized in 1941 as bargaining agent for the telephone firm, with the "approval" of the NLRB regional director.

No formal action was ever made by the NLRB. In 1946 the Telephone Guild of Wisconsin (now Division 23 of the Independent Communications Workers of America) applied to the NLRB for a collective bargaining election to challenge the position of the AFL.

Before the NLRB could act, the guild withdrew its petition, filed a petition with the Wisconsin Employment Relations Board, and in a election on January 14, 1947, the guild was chosen as bargaining unit for the plant and traffic employes by a vote of 91 against, 14 for the AFL union, said the guild.

This certification was set aside by a Circuit Court, but the Wisconsin Supreme Court upheld the election. The company and the AFL union both appealed this decision, and the Supreme Court reversed it in the last half of the NLRB. They said inasmuch as the union was engaged in interstate commerce and the NLRB had not waived jurisdiction, as it may in some cases under the Taft-Hartley Act, and since the NLRB had acted in other telephone cases, NLRB authority applied.

The high court agreed with this contention.

Wage Hearing Set For Glass Industry On Petition of AFL Affiliated Union

Washington.—Wm. R. McComb, administrator of the prevailing Wage and Contracts Divisions, U. S. Department of Labor, scheduled a public hearing for January 24 to consider a change in the minimum wage determinations for manufacture or supply of products of the "Flint Glass and Tableware Industry" under the Walsh-Public Contracts Act.

The industry now operates under a prevailing wage determination made in 1938, which set a minimum wage of 42½ cents an hour for the manufacture or supply of products of the industry on government contracts for more than $10,000 let under the Public Contracts Act. A petition filed by the AFL's American Flint Glass Workers Union of North America requests that the Secretary of Labor, who determines the prevailing minimum wage for industries under the act, amend the rate to provide for 90 cents an hour.

In his notice of the hearing Administrator McComb also announced that it is proposed to amend the "Flint Glass Industry" as the "Pressed and Blown Glass, Glassware Industry." The hearing also will permit testimony on whether provision should be made in a new minimum wage determination for the employment of learners at a subminimum rate, and the conditions for employment of learners, if any.

Evidence obtained by McComb at the hearing will be submitted to Secretary of Labor Maurice J. Tobin for his action.

WOLL CALLS FOR RETURN OF TRIESTE TO ITALY

New York.—Matthew Woll, vice president of the AFL Federation of Labor, called upon the United States to redeem the pledge of last March to return to Italy the free territory of Trieste.

The AFL's position was "made clear by the Italian-American Labor Council of 2 delegates from Trieste.

Mr. Woll's letter said in part: "The experience of the Trieste trade union movement shows that wherever free trade unionists refuse to join Communist united front schemes and maintain their identity as an unmistakable force for freedom, the majority of the workers rally around the flag of free trade unionism."

FILING OF NON-RED OATHS DROPS 28% IN DECEMBER

Washington.—The National Labor Relations Board reported that 76,851 officials of national and local unions had filed non-Communist affidavits, a decrease of 28% from the number on file at the end of December 1948.

CHICAGO TRUCK STRIKE OFF

Chicago.—A trucking strike that would have halted all food deliveries in Chicago was averted when union representatives accepted a 22-cent hourly wage increase for 14,000 truck drivers. Most of the truckers were represented by the AFL Teamsters Union.

Exhibits of Transportation Industry To be Feature of Big AFL Exposition

Washington.—New developments in the transportation industry will be featured at the great Union Industries Show to be held next year in Cleveland from May 18 to 22, according to L. M. Orsborn, show director and secretary of the AFL's Union Label Trades Department which sponsors the annual event.

AFL unions engaged in this gigantic industry will demonstrate new techniques devices with which their members work in railroad, bus, truck and air transportation.

It is expected that the International Brotherhood of Firemen will put on its usual large and interesting attraction. Last year, at Milwaukee, the union occupied the entire stage of an auditorium with a streamlined exhibit of services which it renders.

The Amalgamated Association of Street and Electric Railway Employes of America will exhibit an actual, streamlined bus, and will demonstrate the latest techniques with safety devices for the protection of patrons. The Brotherhood of Railway and Steamship Clerks will employ several hundred clerks and staff an up-to-date ticket office for the convenience of those in attendance who desire tickets and reservations. The Association of American Railroads will have an automated exhibit of a complete, miniature railroad system.

"Even to get to Cleveland is easy," said Mr. Orsborn, "as there are airplane, bus and railroad transportation facilities of all transportation from East and West, North and South, by air or water. It is just an overnight ride from the nation's heaviest population centers. Plan your vacation now and go to the Union Industries Show by auto, bus, train, airplane or boat. We say, be sure to get there. You will see the greatest labor-management event in the world."

ECA REPORTS PROGRESS IN EUROPEAN RECOVERY

Washington.—The Economic Cooperation Administration reported that a number of economic barometers indicated considerable progress is being made by the European nations participating in the joint self-help, mutual-aid European recovery program.

An analysis of reports received from the 17 participating countries reveals that:

1. Total output of factories and mines in ERP countries during the third quarter of 1948 was 10 percent above last year and nearly equal to 1938 level.

2. Excluding the depressed output of Germany, steel operations were well above the 1938 rate, and equaled the very high of 1947.

3. Production of cement, a basic construction material, is far ahead of prewar in every country except Italy and western Germany.

4. Total electric power production in countries, excluding Germany, is 20 percent above prewar and rail-freight traffic is up about a third.

5. Agricultural crop yields in the current year are estimated at 95 percent above 1947, though still below prewar.

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AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

SUPPLEMENT

WILLIAM GREEN, President — WASHINGTON, D. C., FRIDAY, JANUARY 21, 1949 — GEORGE MEANY, Secretary-Treasurer

Fight Polio Give to the March of Dimes

Truman an AFM Member

President Truman receives gold AFM honorary lifetime membership card and silver plaque honoring his "mastery of harmony" from James C. Petrillo, right, president of the American Federation of Musicians, and AFL President William Green.

Hoffman Postpones Change in Ship Policy After Unions, Shippers Lodge Protests

Washington.—For the second time, Paul G. Hoffman, Economic Cooperation Administrator, postponed the effective date of his proposed abandonment of the requirement that at least 50 percent of Marshall Plan bulk cargoes be shipped in U. S. vessels.

Under steady and severe pressure from AFL unions in the maritime industry and shipowners alike, Mr. Hoffman put off until April 1 any change in the present shipping procedures.

His action came after a conference with union and management representatives and congressional leaders. Explaining the development, Mr. Hoffman announced that "owing to the present need for American flag vessels to transport coal to France, there will be no problem involved in having 50 percent of ECA cargoes shipped by such ships until April 1.

"This will give adequate time for full consideration by the Congress of the position I have taken," he said.

The ECA chief first set January 1 as the date on which his agency would no longer ship half the bulk ECA cargoes in American bottoms. In support of his proposal he declared that the requirement was contained in the law on the availability of such ships at world market rates. He said that since American ships were not available at competitive rates, the requirement was no longer applicable.

His proposal met with a storm of protest, spearheaded for labor by the AFL's Seafarers International Union. Spokesmen for the union charged that Mr. Hoffman's announced intention would weaken the U. S. merchant marine and throw half of the American seamen out of work.

Joined by the shipowners, the union grouse were instrumental in forcing a postponement of the action ECA until February 1, by when time it was hoped that Congress would have resolved the issue.

In his announcement of the further postponement to April 1, Mr. Hoffman said:

"In my letter to the Joint Congressional Committee for Foreign Economic Cooperation, Dec. 2, 1948, I pointed out the prospect that in the near future United States flag ships would not be needed to transport bulk cargoes, and stated that it therefore was my intention no longer to require that 50 percent of ECA cargoes be carried in United States flag ships unless such ships were available at competitive rates.

"Due in large measure to the continuing effects of the French coal strike, it now appears that ECA bulk cargoes will remain at a high level at least until April 1. In such case the need for United States flag vessels to carry ECA cargoes will be a continuing one, and the ECA will not be immediately faced with the problems which gave rise to my letter of Dec. 3.

President Green Meets 1949 Polio Poster Girl

Enjoying their visit together are AFL President William Green and 6-year-old Linda Brewer, of Cincinnati, Ohio, who is the 1949 polio poster girl. Linda had infantile paralysis in 1947 but, thanks to the aid rendered by the March of Dimes' Foundation for Infantile Paralysis, is now able to enjoy life of a normal youngster. Money is now being collected in homes from coin-filled dime cards like the one shown in the picture.

AFL Fights Cab Company's Efforts to Break up Union

By PAT FRAYNE

West Coast Correspondent for AFL News Service

San Francisco.—Some 2,000 members of Chauffeurs Union 265, San Francisco, are conducting a fight that may have national repercussions.

The union of taxicab drivers and helpers is striking the Yellow Cab Company, and have been since January 1, on a brand new issue which concerns all unions.

The Yellow Cab Company is defending the "right" of the Veterans Taxicab Company drivers' union to function as a "company union" operation.

Just three years ago the Yellow Cab Company was openly accused of using its influence to prevent the Veterans Taxicab Company getting a franchise to operate on the streets of San Francisco. The franchise is a defender of the VFW.

The new move of the Yellow Cab has been spotted by the taxi drivers' union, however, and even by the drivers of the Veterans Taxicab Company who are also in on the strike.

"This means, in plain language," explains Al Costa, business representative of the chauffeurs' union, "that these so-called stockholders would be able to operate their cabs without belonging to the union.

"It would mean that the wages and hours and working conditions, built by Local 265 to protect its members, would be wiped out in that company—and the way opened for them to be wiped out in time to come for all companies."

The chauffeurs union has already started $10 a week strike benefits to their members in downtown headquarters set up at 109 Golden Gate avenue.

They propose to stand their ground till the bitter end because they feel the issue will affect all union labor. Local newspapers report that lack of taxi service has cut down night club business, by 20 percent. It is a mystery to the taxi drivers that night club and hotel pressure hasn't been put on the Yellow Cab Company. The leaders, however, suspect that the cab companies are trying out a new approach to wreck one union and set up a company union.

"We believe that if the cab company owners win this strike," said one union official, "they will establish the scabbing gadget for other contracts.

"There wouldn't be anything to stop them from making the next step into the Bakery Wagon Drivers or the Teamsters and selling every driver a stock certificate and thus avoid ever having to operate or as individual contractor. Then the driver of a truck, as well as a taxicab, could work as many hours as he wished, or as the boss wanted, and work under prehistoric working conditions.

"This is not the only reason why we are contributing to the whole labor movement by opposing the move to establish a quasi-stockholder status of the workers in order to avoid and circumvent union conditions and wages."

The taxi drivers union is seeking an increase which hinges in part on about the present situation. Local 265 carries the whole cost of hold-up insurance. The union pays a fifty-fifty split on the second $5 of insurance. The union seeks a welfare fund to provide a minimum of protection for cabbies. The Yellow Cab Company has a 1-year contract; the company wants a 15-months contract.

It was suggested by one union member that if the cab companies wanted stockholders to have "freedom of enterprise" that it should be compulsory for all stockholders. The union member would like to see the president of the Yellow Cab Company behind the wheel carting a few belligerent and convivial customers from night club to night club.

In the meantime, however, you can find plenty of parking space at the Third and Townsend Southern Pacific depot, the East Bay terminal, the Ferry Building and other downtown spots otherwise reserved for taxis.

And visitors to San Francisco who aimed to have friends meet them at the depots for baggage transportation. Several small cab companies, which have signed the contract with the union, are being overworked.

British, Dutch, CIO Walk Out of WFTU; Move Upholds AFL Stand Against Unit

Washington.—The World Federation of Trade Unions was split asunder and reduced in importance by the withdrawal of the British Trades Union Congress, the Congress of Industrial Organizations, and the Dutch Federation of Labor.

The move leaves the WFTU exactly the way the American Federation of Labor has always maintained it was from the time it was created 3 years ago, absolutely and completely dominated by the Communist regime of Soviet Russia.

Hailing the development, AFL President William Green and Matthew Woll, chairman of the AFL International Relations Committee, pointed the sorry fatal eclipse of the WFTU and the mobilization of free, democratic labor unions on a global basis.

David Dubinsky, president of the AFL's International Ladies' Garment Workers Union, and Arthur Lopez, secretary of the Railway Labor Executives Association, echoed this viewpoint.

Meanwhile, in Europe, Irving Brown, the AFL's European representative, moved to take advantage of the split in the WFTU ranks. According to newspaper accounts, he proposed that talks be held at a forthcoming meeting of anti-Communist labor groups in Switzerland, on the formation of a new international labor organization. The British Trades Union Congress, who bolted their organization from the WFTU, are scheduled to attend the conference.

Further conferences may be held at the regular mid-winter meeting of the AFL Executive Council in Miami which opens on January 31. The AFL has invited British leaders to attend this meeting to discuss proposed plans for the creation of a world-wide group composed of free trade unions.

The split in the WFTU ranks came when the executive bureau of that organization refused to adopt a compromise resolution advanced by the British TUC and the CIO which called for suspension of WFTU activities for one year. After the proposal was voted down by the bureau, Deakin and Carey walked out of the meeting and announced they would sever their ties with the WFTU.

Their action served to vindicate completely the stand taken by the American Federation of Labor in its steadfast refusal to have anything to do with the World Federation of Trade Unions. Top AFL officials opposed the formation of the organization and, during the 2 years of its existence, exposed it as a Communist propaganda agency acting as a tool of the Kremlin.

Criticized for their stand that it was impossible for free trade unions to work with so-called trade unions under the domination of a centralized governmental authority, the AFL fought an aggressive battle in the WFTU. A measure of success was won when AFL representatives blocked efforts of the WFTU to obtain sole recognition from the United Nations as "the official voice of the world's workers." Also, following the action of the British, CIO and Dutch representatives in walking out of the WFTU, the AFL has been proven entirely right in its constant crusade against the Communist-dominated world labor body.

New Contract Providing 10% Wage Boost Won by Amalgamated Meatcutters Unit

Philadelphia.—A three-state strike was narrowly averted by a new contract agreement raising wages 10 percent for more than 1,000 members of the Philadelphia Joint Council of the AFL's Amalgamated Meatcutters and Butcher Workmen of North America employed in Pennsylvania, New Jersey and Delaware retail chain stores.

Only insistence of Leon B. Schachter, council president and secretary of the union's international executive board, and other union representatives on conducting negotiations New Year's Eve and New Year's Day resulted in the agreement covering employes of The American Stores Co., A. and P. Food Fair and Baltimore Markets.

Terms of the agreement, after 2 month's negotiations, were unanimously and enthusiastically approved by more than 1,600 members who manned Turners Hall to act on the report of the negotiators.

Specific wage increases of from $4 to $7 were agreed upon, setting scales running from $55 to $80 for a basic 43-hour week.

Other contract gains follow:

When the Taft-Hartley Act is repealed, the companies will negotiate a new union-shop clause to provide for compulsory membership that now was the case prior to the law's enactment.

Progress toward 100-percent night work is made as the chains, with the exception of Food Fair, agreed to close Tuesday, Wednesday and Saturday nights. They will be closed 1 hour to 2 hours either or both Thursday and Friday nights at the company's option. Each employe may only work one of the two nights. If straight time is required to work the second night, he will receive time and one-half.

Council members will not be required to work during any authorized strike by an American Federation of Labor union.

Only council members may prepare and sell self-service items. Sale of prepackaged goods will be limited to the products customarily sold in the past.

Council members will be covered by comprehensive health-insurance plans.

Self-service department employes will enjoy two 15-minute rest periods daily.

Members will receive two hours off to vote on election day.

Truman Assails Communism; Calls On U.S. To Lead World

HARRY S. TRUMAN

32nd President of the U. S.

Union Members Share In Inaugural Events; 1,000,000 In Crowd

Washington.—An attack on Communism and communistic methods, a 4-point program for world peace leadership by the United States highlighted the address of President Harry S. Truman when he went into office before multitudes of people in the nation's most impressive inaugural in history.

Mr. Truman took the oath of office during traditional ceremonies before a crowd of 100,000 people who filled every nook and cranny of the vast plaza before the U. S. Capitol.

Later he received the cheers of nearly 1,000,000 citizens as he rode down Pennsylvania Avenue at the head of an inaugural parade which went on until the lengthening shadows and chilling atmosphere brought the afternoon to a close.

In this celebration organized labor played a part in honoring the man it had helped to elect last November when, according to all forecasts, he was scheduled to be retired from office.

AFL President William Green and other top labor leaders participated in the series of inaugural events in honor of the President. James C. Petrillo, president of the American Federation of Musicians, served as music chairman for the gala events and ball. The cheering masses of humanity thronging the line of march and parade saw elaborate floats entered by the AFL Seafarers, Hod Carriers and Labor's Washington Central Labor Union, Laborers' Local 572, Photoengravers, and the American Federation of Musicians.

The President's inaugural address was a ringing declaration of faith with concrete statements and proposals which he advanced to promote world peace and to protect the interests and well-being of the little average man.

Mr. Truman drew a sharp, straight line between democracy and communism, without the slightest fear of the softening toward Russia which some observers had been suggesting recently.

The Chief Executive asserted that democracy was a vitalizing force, sustaining the initiative which was in our hands, and that we would not be moved from our faith by the Soviet political philosophy.

The heart of his sims Mr. Truman set forth in one, two, three, four fashion. First he reiterated unwavering support of the United Nations and said he made a friendly gesture to such nations that are shoring as Israel, Korea and Indonesia. He said they would strengthen the United Nations as they themselves became strong with the nourishment of democratic principles.

At his second point, Mr. Truman reiterated this country's determination to work for world recovery by giving full measure to the European Recovery Program and promoting trade for all the world's markets.

On the North Atlantic Security Plan, which is now crystallizing, Mr. Truman focused his third point. He said, "We will strengthen freedom-loving nations against the dangers of aggression," but only within the recognized framework of the United Nations Charter and in the interests of the Western Hemisphere arrangement.

In his fourth point Mr. Truman proposed a bold new program, still to be expounded in detail, for sharing American scientific and industrial progress with the rest of the world. He made the prefer on a global scale, but it was understood that it was intended primarily for the colonial areas of Africa and Asia.

Expanded Program, Use of Films Planned For AFL's Workers Education Bureau

By ARNOLD BEICHMAN

New York Correspondent for AFL News Service

New York.—An expanded program of activity over the next year by the Workers Education Bureau of the American Federation of Labor was announced by Spencer Klaw, director. Of major importance is that the bureau will be working in close conjunction with Labor's League for Political Education.

The expansion was announced here following a meeting of the bureau presided over by George Harrison, president of the Brotherhood of Railway Clerks and recently elected head of the Workers Education Bureau. In attendance was Matthew Woll, chairman of the Executive Committee.

Two steps were authorized by the officers—first, opening regional offices of the bureau, one to be set up immediately in the Midwest, and later on the West Coast and in the South. Second, the audio-visual field is to be tapped through the use of films, film strips and the building up of a film library. Existing films of interest to unions will be sent out.

To effectuate these decisions, a special conference of AFL educational directors will meet here sometime late in February or early March to take up suggestions and recommendations. Out of this conference the regional offices will best be of service to AFL groups in those areas.

"The world is in transition," said Connors, "is the tremendous growth of the AFL membership, the greater need for worker's education than ever before and the enormous interest generally in worker's education."

The cooperative work with Labor's League for Political Education will be strictly nonpartisan, Connors pointed out. He said the bureau would conduct an educational campaign on the issues and registration but, of course, leave political endorsements to LLPE.

Preceding this announcement was a luncheon attended by several hundred trade unionists at which Connors, recently an official U. S. delegate to the conference of the United Nations Educational, Scientific and Cultural Organization (UNESCO), reported on his mission. He declared that UNESCO had suffered in the past because of "a lack of an experienced executive director-general." He indicated that the conference he had attended at Beirut, Lebanon, had appointed a new director who might be able to strengthen UNESCO's work.

Connors revealed that he had been granted an audience with Pope Pius at the Vatican. He said that His Holiness had paid tribute to the AFL for its support of democratic movements and for its outstanding labor in the United States and for our fight against the Communist party."

Dutch Workers Lauded For Increased Production

Utrecht, Holland.—The workers of the Netherlands have rendered a real service in bringing about increases in production vitally needed for reconstruction. Ambassador W. Averell Harriman, special representative in Europe for the European Recovery Program, told Evert Kupers, Dutch trade union leader, in a personal message sent Mr. Kupers during the recent annual meeting of the Netherlands Labor Congress.

Mr. Kupers is chairman of the Netherlands Federation of Trade Unions, and a former president of the International Federation of Trade Unions.

Ambassador Harriman's message follows:

"My warm greetings to you personally and to your fellow trade unionists of the Netherlands on the occasion of the meeting of the Netherlands Labor Congress.

"As a friend as a close observer of the European labor movement, I want to take this opportunity to pay a personal tribute to you for your effective leadership in furthering the cause of unity in Europe upon a firm foundation of personal freedom and truly democratic self-government. Yes, as one of the foremost spokesmen of European labor you have done much to help translate this aspiration into affirmative action.

"As a fellow-worker in the urgent task of European recovery, I want to express my deep thanks, through your Congress, to the workmen and women of the Netherlands for their contribution toward the progress of the Marshall Plan.

"As producers, the workers of the Netherlands have rendered a real service in bringing about increases in production vitally needed for reconstruction. "The European Recovery Program is an instrument of cooperation through which the nations of Europe, in close initiative, through their own effort, and with American aid can defeat privation and misery of the war's aftermath. It is a means whereby these nations can advance together toward a better life and a peaceful world."

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AFL AUTO WORKERS LOCAL WINS FAVORABLE CONTRACT

Muskegon Heights, Mich.—Local 660 of the AFL United Automobile Workers of America concluded a strike against the Brown-Morse Manufacturing Company here upon ratification of a new liberal contract affording a 10 cent wage increase and one of the best insurance plans in the industry. The insurance plan is completely financed by the employer.

In addition to the wage increase and the insurance plan, the contract established a paid holiday schedule includes a provision requiring the premium payment for any man stated for transfer to different jobs in the plant.

FHA MORTGAGE LOANS SET NEW RECORD IN '48

Washington.—Mortgages insured by the Federal Housing Administration in 1948 covered 400,810 dwelling units in individual homes and rental projects, Commissioner Raymond M. Rickards, FHA Commissioner. This represents the largest number of any year in FHA history, being nearly 100,000 more than the previous record figure for 1942, the next largest year. Approximately half of the total units were in the new housing.

New homes started under the FHA program in 1948 averaged over 34,000 a month.

By the end of the year, the total insurance written by the FHA, under all titles of the National Housing Act since the beginning of its operations in 1934, including property improvement loans as well as mortgages insured, amounted to $14,500,000,000. Approximately half of this insurance is still in force.